110TH CONGRESS
1ST SESSION

S. 1055

To promote the future of the American automobile industry, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 29, 2007

Mr. BIDEN introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To promote the future of the American automobile industry, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''American Automobile Industry Promotion Act of 2007''.

SEC. 2. ADVANCED ENERGY INITIATIVE FOR VEHICLES.

(a) PURPOSES.—The purposes of this section are—

(1) to enable and promote, in partnership with industry, comprehensive development, demonstration, and commercialization of a wide range of elec-

tric drive components, systems, and vehicles using diverse electric drive transportation technologies;

(2) to make critical public investments to help private industry, institutions of higher education, National Laboratories, and research institutions to expand innovation, industrial growth, and jobs in the United States;

(3) to expand the availability of the existing electric infrastructure for fueling light duty transportation and other on-road and nonroad vehicles that are using petroleum and are mobile sources of emissions—

(A) including the more than 3,000,000 reported units (such as electric forklifts, golf carts, and similar nonroad vehicles) in use on the date of enactment of this Act; and

(B) with the goal of enhancing the energy security of the United States, reduce dependence on imported oil, and reduce emissions through the expansion of grid-supported mobility;

(4) to accelerate the widespread commercialization of all types of electric drive vehicle technology into all sizes and applications of vehicles, including

commercialization of plug-in hybrid electric vehicles and plug-in hybrid fuel cell vehicles; and

(5) to improve the energy efficiency of and reduce the petroleum use in transportation.

(b) DEFINITIONS.—In this section:

(1) BATTERY.—The term ''battery'' means an energy storage device used in an on-road or nonroad vehicle powered in whole or in part using an off-board or on-board source of electricity.

(2) ELECTRIC DRIVE TRANSPORTATION TECHNOLOGY.—The term ''electric drive transportation technology'' means—

(A) a vehicle that—

(i) uses an electric motor for all or part of the motive power of the vehicle; and

(ii) may use off-board electricity, including battery electric vehicles, fuel cell vehicles, engine dominant hybrid electric vehicles, plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and electric rail; or

(B) equipment relating to transportation or mobile sources of air pollution that uses an electric motor to replace an internal combustion

engine for all or part of the work of the equipment, including corded electric equipment linked to transportation or mobile sources of air pollution.

(3) ENGINE DOMINANT HYBRID ELECTRIC VEHICLE.—The term ''engine dominant hybrid electric vehicle'' means an on-road or nonroad vehicle that—

(A) is propelled by an internal combustion engine or heat engine using—

(i) any combustible fuel; and

(ii) an on-board, rechargeable storage device; and

(B) has no means of using an off-board source of electricity.

(4) FUEL CELL VEHICLE.—The term ''fuel cell vehicle'' means an on-road or nonroad vehicle that uses a fuel cell (as defined in section 803 of the Energy Policy Act of 2005 (42 U.S.C. 16152)).

(5) INITIATIVE.—The term ''Initiative'' means the Advanced Battery Initiative established by the Secretary under subsection (f)(1).

(6) NONROAD VEHICLE.—The term ''nonroad vehicle'' has the meaning given the term in section 216 of the Clean Air Act (42 U.S.C. 7550).

(7) PLUG-IN HYBRID ELECTRIC VEHICLE.—The term ''plug-in hybrid electric vehicle'' means an on-road or nonroad vehicle that is propelled by an internal combustion engine or heat engine using—

(A) any combustible fuel;

(B) an on-board, rechargeable storage device; and

(C) a means of using an off-board source of electricity.

(8) PLUG-IN HYBRID FUEL CELL VEHICLE.—The term ''plug-in hybrid fuel cell vehicle'' means an onroad or nonroad vehicle that is propelled by a fuel cell using—

(A) any compatible fuel;

(B) an on-board, rechargeable storage device; and

(C) a means of using an off-board source of electricity.

(9) INDUSTRY ALLIANCE.—The term ''Industry Alliance'' means the entity selected by the Secretary under subsection (f)(2).

(10) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 2 of the Energy Policy Act of 2005 (42 U.S.C. 15801).

(11) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(c) GOALS.—The goals of the electric drive transportation technology program established under subsection (e) shall be to develop, in partnership with industry and institutions of higher education, projects that focus on—

(1) innovative electric drive technology developed in the United States;

(2) growth of employment in the United States in electric drive design and manufacturing;

(3) validation of the plug-in hybrid potential through fleet demonstrations; and

(4) acceleration of fuel cell commercialization through comprehensive development and commercialization of battery technology systems independent of fundamental fuel cell vehicle technology development.

(d) ASSESSMENT.—Not later than 120 days after the date of enactment of this Act, the Secretary shall offer to enter into an arrangement with the National Academy of Sciences—

(1) to conduct an assessment (in cooperation with industry, standards development organizations, and other entities, as appropriate), of state-of-the-

art battery technologies with potential application for electric drive transportation;

(2) to identify knowledge gaps in the scientific and technological bases of battery manufacture and use;

(3) to identify fundamental research areas that would likely have a significant impact on the development of superior battery technologies for electric drive vehicle applications; and

(4) to recommend steps to the Secretary to accelerate the development of battery technologies for electric drive transportation.

(e) PROGRAM.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for electric drive transportation technology, including—

(1) high-capacity, high-efficiency batteries;

(2) high-efficiency on-board and off-board charging components;

(3) high-powered drive train systems for passenger and commercial vehicles and for nonroad equipment;

(4) control system development and power train development and integration for plug-in hybrid elec-

tric vehicles, plug-in hybrid fuel cell vehicles, and engine dominant hybrid electric vehicles, including—

(A) development of efficient cooling systems;

(B) analysis and development of control systems that minimize the emissions profile when clean diesel engines are part of a plug-in hybrid drive system; and

(C) development of different control systems that optimize for different goals, including—

(i) battery life;

(ii) reduction of petroleum consumption; and

(iii) green house gas reduction;

(5) nanomaterial technology applied to both battery and fuel cell systems;

(6) large-scale demonstrations, testing, and evaluation of plug-in hybrid electric vehicles in different applications with different batteries and control systems, including—

(A) military applications;

(B) mass market passenger and light-duty truck applications;

(C) private fleet applications; and

(D) medium- and heavy-duty applications;

(7) a nationwide education strategy for electric drive transportation technologies providing secondary and high school teaching materials and support for education offered by institutions of higher education that is focused on electric drive system and component engineering;

(8) development, in consultation with the Administrator of the Environmental Protection Agency, of procedures for testing and certification of criteria pollutants, fuel economy, and petroleum use for light-, medium-, and heavy-duty vehicle applications, including consideration of—

(A) the vehicle and fuel as a system, not just an engine; and

(B) nightly off-board charging; and

(9) advancement of battery and corded electric transportation technologies in mobile source applications by—

(A) improvement in battery, drive train, and control system technologies; and

(B) working with industry and the Administrator of the Environmental Protection Agency—

(i) to understand and inventory markets; and

(ii) to identify and implement methods of removing barriers for existing and emerging applications.

(f) ADVANCED BATTERY INITIATIVE.—

(1) IN GENERAL.—The Secretary shall establish and carry out an Advanced Battery Initiative in accordance with this subsection to support research, development, demonstration, and commercial application of battery technologies.

(2) INDUSTRY ALLIANCE.—Not later than 180 days after the date of enactment of this Act, the Secretary shall competitively select an Industry Alliance to represent participants who are private, for-profit firms headquartered in the United States, the primary business of which is the manufacturing of batteries.

(3) RESEARCH.—

(A) GRANTS.—The Secretary shall carry out research activities of the Initiative through competitively-awarded grants to—

(i) researchers, including Industry Alliance participants;

(ii) small businesses;

(iii) National Laboratories; and

(iv) institutions of higher education.

(B) INDUSTRY ALLIANCE.—The Secretary shall annually solicit from the Industry Alliance—

(i) comments to identify advanced battery technology needs relevant to electric drive technology;

(ii) an assessment of the progress of research activities of the Initiative; and

(iii) assistance in annually updating advanced battery technology roadmaps.

(4) AVAILABILITY TO THE PUBLIC.—The information and roadmaps developed under this subsection shall be available to the public.

(5) PREFERENCE.—In making awards under this subsection, the Secretary shall give preference to participants in the Industry Alliance.

(g) COST SHARING.—In carrying out this section, the Secretary shall require cost sharing in accordance with section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16352).

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2008 through 2012.

SEC. 3. AVAILABILITY OF NEW ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE CREDIT FOR HIGH-EFFICIENCY DIESEL MOTOR VEHICLES.

(a) IN GENERAL.—Section 30B(c)(3)(A) of the Internal Revenue Code of 1986 (defining new advanced lean burn technology motor vehicle credit) is amended—

(1) by adding ''and'' at the end of clause (ii), and

(2) by striking clause (iv).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property purchased after the date of the enactment of this Act.

SEC. 4. BIODIESEL STANDARDS.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) by redesignating the first subsection (r) (relating to the definition of the term ''manufacturer'') as subsection (t) and moving the subsection so as to appear after subsection (s); and

(2) by inserting after subsection (o) the following:

''(p) BIODIESEL STANDARDS.—

''(1) DEFINITIONS.—In this subsection:

''(A) BIODIESEL.—

''(i) IN GENERAL.—The term 'biodiesel' means the monoalkyl esters of long

chain fatty acids derived from plant or animal matter that meet—

"(I) the registration requirements for fuels and fuel additives established by the Environmental Protection Agency under section 211 of the Clean Air Act (42 U.S.C. 7545); and

"(II) the requirements of the American Society of Testing and Materials D6751.

"(ii) INCLUSIONS.—The term 'biodiesel' includes esters described in subparagraph (A) derived from—

"(I) animal waste, including poultry fat, poultry waste, and other waste material; and

"(II) municipal solid waste, sludge, and oil derived from wastewater or the treatment of wastewater.

"(B) BIODIESEL BLEND.—

"(i) IN GENERAL.—The term 'biodiesel blend' means a mixture of biodiesel and diesel fuel (as defined in section

4083(a) of the Internal Revenue Code of 1986).

''(ii) INCLUSIONS.—The term 'biodiesel blend' includes—

''(I) a blend of biodiesel and diesel fuel approximately 5 percent of the content of which is biodiesel (commonly known as 'B5'); and

''(II) a blend of biodiesel and diesel fuel approximately 20 percent of the content of which is biodiesel (commonly known as 'B20').

''(2) STANDARDS.—Not later than 180 days after the date of enactment of the American Automobile Industry Promotion Act of 2007, the Administrator shall promulgate regulations to establish standards for each biodiesel blend that is sold or introduced into commerce in the United States.''.

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